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SIPDIS

DEPARTMENT FOR AF/S; INR/AF

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SUBJECT: DISCUSSION WITH OPPOSITION PARTY LEADERS CLEARS UP LAND BILL  
CONFUSION

REF: A) Maseru 388; B) Maseru 394

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Summary  
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¶1. On Thursday, November 5, Ambassador Rob Nolan invited representatives of Lesotho's leading opposition political parties to a discussion at his residence. Ten political leaders -- the majority of opposition parties represented in Parliament -- were in attendance. The discussion centered around the controversial land bill, particularly the United States role through the Millennium Challenge Account (MCA) - Lesotho, which has been widely misunderstood. At the outcome of the meeting, Post attendees felt that opposition politicians had gotten the information they needed to clear up any misunderstanding, and it was agreed that the negative comments which have been prevalent on the radio and in the written press concerning the U.S. role in the Land Bill should be diminished thanks to this meeting.

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Ambassador and MCC Country Director clarify the MCC process  
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¶2. The Ambassador opened the meeting by stressing that the United States does not want to interfere in Lesotho's domestic political affairs. He then turned the meeting over to Millennium Challenge Corporation (MCC) Country Director, Gene MacDonald. The Country Director presented a very concise and informative overview of the MCC compact process. She highlighted the fact that in designing the MCC Compact, the need for land reform was identified by the Government of Lesotho as one of the obstacles to sustainable economic growth to reduce poverty. She stressed that consultations were undertaken throughout the entire process which involved the public, the government, and other stakeholders such as non-governmental organizations. She clarified that MCA is a parastatal overseen by MCC, but which has a mandate to make its own decisions. Finally, opposition politicians had been under the impression that if the Land Bill is not passed, the United States would terminate the entire \$363 million MCC compact. The Country Director assured the gathering that only the \$20 million involved in the Land Reform activity of the MCC compact would be at stake if the Land Bill is not passed.

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Opposition party leaders make their concerns known  
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¶3. Opposition party leaders responded to the Ambassador and Country Director by thanking them for the invitation and giving a list of their concerns. Chiefly, they pointed out that land is a very sensitive cultural subject for Basotho, who lost much of their land heritage when Dutch settlers moved west into the current South African Free State. This issue is still raw for Basotho, who call the lost land the "conquered territory". The leaders stressed that they are not against American aid in

principle, and that they are very grateful for everything that the United States has given to fight HIV/AIDS. Opposition leaders agree that land reform is needed, but they are not happy with the current bill, which they feel does not give adequate protection to the poor and about which they did not feel they had adequate input. They are also very angry with the ruling party for making it seem that if the current Land Bill does not pass, the United States will cancel the MCC Compact. They were also adamant that there had not been enough consultations with the people, and that the current bill reflects the will of the ruling party, not the will of the Basotho people. Finally, the MCC country director clarified that there is no MCC requirement that foreigners be allowed to own land in Lesotho.

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Comment  
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14. Embassy staff came away from this meeting feeling that the opposition was relieved to hear the U.S. side of the story, and that it was unlikely they would continue to spread negative and false information about U.S. involvement in the Land Bill. While it is unclear what the outcome of the Land Bill vote will be at this moment, we view the current debate in the country as a positive development. The Embassy is pleased with the debate and will continue to encourage all open political debate as a sign of a healthy democracy at work. We are concerned, however, that the ruling party's heavy majority in the Legislature means that for the foreseeable future it is that one party which controls which laws get passed, and in what form, regardless of opposition or public opinion. In this case, it appears that the strong feelings on the part of the public, fueled by rhetoric from opposition politicians, may have managed to change the ruling party's drive to pass the bill. What remains to be seen

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is whether in the next few weeks, changes can be made which will incorporate the major concerns of the public and opposition parties. We will continue to encourage healthy political debate in the Kingdom, and will keep the Department posted on any developments that effect the U.S. or our policy on this matter.  
NOLAN